

107TH CONGRESS  
1ST SESSION

# H. R. 330

To repeal the Federal estate and gift taxes and the tax on generation-skipping transfers.

---

## IN THE HOUSE OF REPRESENTATIVES

JANUARY 31, 2001

Mr. COX (for himself, Mr. ADERHOLT, Mr. ARMEY, Mr. BACHUS, Mr. BAKER, Mr. BALLENGER, Mr. BARCIA, Mr. BARR of Georgia, Mr. BARTLETT of Maryland, Mr. BARTON of Texas, Mr. BASS, Mrs. BIGGERT, Mr. BLUNT, Mr. BOEHLERT, Mr. BOEHNER, Mr. BONILLA, Mrs. BONO, Mr. BOUCHER, Mr. BRADY of Texas, Mr. BRYANT, Mr. BURR of North Carolina, Mr. BURTON of Indiana, Mr. BUYER, Mr. CALLAHAN, Mr. CALVERT, Mr. CAMP, Mr. CANNON, Mr. CHABOT, Mr. CHAMBLISS, Mr. COBLE, Mr. COLLINS, Mr. COMBEST, Mr. CONDIT, Mr. COOKSEY, Mr. CRAMER, Mr. CRANE, Mr. CRENSHAW, Mrs. CUBIN, Mr. CUNNINGHAM, Mr. DEAL of Georgia, Mr. DELAY, Mr. DEMINT, Mr. DIAZ-BALART, Mr. DOOLITTLE, Mr. DREIER, Mr. DUNCAN, Ms. DUNN, Mrs. EMERSON, Mr. ENGLISH, Mr. EVERETT, Mr. FLETCHER, Mr. FOLEY, Mr. FOSSELLA, Mr. FRELINGHUYSEN, Mr. GALLEGLY, Mr. GEKAS, Mr. GIBBONS, Mr. GILLMOR, Mr. GILMAN, Mr. GOODLATTE, Mr. GOODE, Mr. GOSS, Mr. GRAHAM, Ms. GRANGER, Mr. GREEN of Wisconsin, Mr. GREENWOOD, Mr. GRUCCI, Mr. HALL of Texas, Mr. HANSEN, Ms. HART, Mr. HASTINGS of Washington, Mr. HAYES, Mr. HAYWORTH, Mr. HEFLEY, Mr. HERGER, Mr. HILLEARY, Mr. HORN, Mr. HOSTETTLER, Mr. HULSHOF, Mr. HUNTER, Mr. HUTCHINSON, Mr. HYDE, Mr. ISAKSON, Mr. ISTOOK, Mr. JENKINS, Mr. SAM JOHNSON of Texas, Mr. JONES of North Carolina, Mrs. KELLY, Mr. KING, Mr. KNOLLENBERG, Mr. KOLBE, Mr. LAHOOD, Mr. LARGENT, Mr. LATHAM, Mr. LATOURETTE, Mr. LEWIS of California, Mr. LEWIS of Kentucky, Mr. LINDER, Mr. LOBIONDO, Mr. LUCAS of Oklahoma, Mr. MANZULLO, Mr. MCCRERY, Mr. MCHUGH, Mr. MCINNIS, Mr. McKEON, Mr. MICA, Mr. MILLER of Florida, Mr. GARY MILLER of California, Mr. MORAN of Kansas, Mrs. MYRICK, Mr. NETHERCUTT, Mr. NEY, Mrs. NORTHRUP, Mr. NORWOOD, Mr. OSE, Mr. OXLEY, Mr. PAUL, Mr. PETERSON of Pennsylvania, Mr. PICKERING, Mr. PITTS, Mr. POMBO, Ms. PRYCE of Ohio, Mr. RADANOVICH, Mr. RAMSTAD, Mr. RILEY, Mr. ROGERS of Michigan, Mr. ROHRABACHER, Ms. ROS-LEHTINEN, Mrs. ROUKEMA, Mr. ROYCE, Mr. RYAN of Wisconsin, Mr. RYUN of Kansas, Mr. SAXTON, Mr. SCARBOROUGH, Mr. SCHAFFER, Mr. SENSENBRENNER, Mr. SESSIONS, Mr. SHADEGG,

Mr. SHAW, Mr. SHIMKUS, Mr. SIMPSON, Mr. SKEEN, Mr. SMITH of Texas, Mr. SMITH of Michigan, Mr. SOUDER, Mr. SPENCE, Mr. STEARNS, Mr. STUMP, Mr. SUNUNU, Mr. SWEENEY, Mr. TANCREDI, Mr. TAUZIN, Mr. TAYLOR of North Carolina, Mr. TERRY, Mr. THORNBERRY, Mr. THUNE, Mr. TIAHRT, Mr. TOOMEY, Mr. TRAFICANT, Mr. UPTON, Mr. VITTER, Mr. WALDEN of Oregon, Mr. WALSH, Mr. WAMP, Mr. WATKINS, Mr. WATTS of Oklahoma, Mr. WELDON of Pennsylvania, Mr. WELDON of Florida, Mr. WHITFIELD, Mr. WICKER, Mrs. WILSON, Mr. WOLF, and Mr. YOUNG of Alaska) introduced the following bill; which was referred to the Committee on Ways and Means

---

## A BILL

To repeal the Federal estate and gift taxes and the tax  
on generation-skipping transfers.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Family Heritage Pres-  
5       ervation Act”.

6       **SEC. 2. FINDINGS.**

7       Congress finds that:

8               (1) Hard working American men and women  
9       spend a lifetime saving to provide for their children  
10      and grandchildren, paying taxes all the while.  
11      Throughout their lives, they pay taxes on the income  
12      and gains from their labor and their investment. Be-  
13      cause of the heavy burden of income taxes, property  
14      taxes, and other levies, it is enormously difficult to  
15      accumulate savings for a family’s future. Worst of

1 all, when the purpose of that hard earned saving is  
2 about to be achieved, families discover that between  
3 37 percent and 55 percent of their after-tax savings  
4 are confiscated by Federal estate taxes.

5 (2) These transfer, estate, and gift taxes punish  
6 lifelong habits of thrift; they discourage entrepre-  
7 neurship; they penalize families; and they have a  
8 negative effect on other tax revenue sources.

9 (3) These taxes raise almost no material rev-  
10 enue for the Federal Government. In fiscal year  
11 2000, they produced about 1 percent of total Fed-  
12 eral revenues.

13 (4) The waste and economic inefficiency caused  
14 by estate taxes is well known. American families em-  
15 ploy legions of tax accountants and lawyers each  
16 year to set up trusts and other prolix devices de-  
17 signed to avoid these onerous levies. The make-work  
18 imposed upon the economy comprises billions of dol-  
19 lars.

20 (5) To pay these excessive taxes, many small  
21 businesses must liquidate all or part of their assets.  
22 By causing business closures, these taxes constrict  
23 business activity, increase unemployment, and re-  
24 duce tax revenues to the Federal Government.

1           (6) Independent analyses indicate that, were  
2       these onerous taxes repealed, the Nation's gross do-  
3       mestic product, Federal and State tax revenues, em-  
4       ployment base, and capital formation would increase  
5       substantially. According to a recent study by the  
6       Joint Economic Committee, these taxes have re-  
7       duced the stock of capital in the United States by  
8       \$497,000,000,000, reduced annual Federal income  
9       tax receipts by \$20,000,000,000, caused family busi-  
10      nesses to divert resources from investment, and en-  
11      couraged the development of environmentally sen-  
12      sitive land.

13           (7) Repealing these taxes will ensure economic  
14      fairness for all American families and businesses  
15      and economic growth and prosperity for the Nation  
16      as a whole.

17   **SEC. 3. REPEAL OF FEDERAL TRANSFER TAXES.**

18           (a) GENERAL RULE.—Subtitle B of the Internal Rev-  
19      enue Code of 1986 (relating to estate, gift, and genera-  
20      tion-skipping taxes) is hereby repealed.

21           (b) EFFECTIVE DATE.—The repeal made by sub-  
22      section (a) shall apply to the estates of decedents dying,  
23      and gifts and generation-skipping transfers made, after  
24      December 31, 2000.

○